- (e) During the Employee's employment with Select Staffing, Employee will devote his/her full time, energy and best efforts to the furtherance of the business of Select Staffing and agrees not to take any action that deprives Select Staffing of any business opportunities or otherwise act in a manner that conflicts with the best interests of Select Staffing or is detrimental to the business of Select Staffing.
- (f) All tangible materials, equipment, documents, copies of documents, data compilations (in whatever form), software programs, and electronically created or stored materials that Employee receives or makes in the course of employment with Select Staffing are and shall remain the property of Select Staffing and Employee shall immediately return such property to Select Staffing upon Select Staffing's request and upon the termination of Employee's employment, for whatever reason. The obligation to return property and documents extends to anything received or made during and as a result of employment by Select Staffing, regardless of whether it was received from Select Staffing or a third party, such as an actual or potential vendor or customers, and regardless of whether a document contains Trade Secrets/Confidential Information.
- The parties agree that it may be difficult to determine Select Staffing's damages in the event any of its Employees, clients and/or temporary workers cease to do business with Select Staffing, and/or follows Employee to his/her new employer, after termination of his/her employment with Select Staffing. Thus, it is agreed that any temporary or permanent job assignments made/obtained by Employee or, involving employees, temporary workers and/or clients who were actively working with/at Select Staffing at any time within 180 days prior to Employee's employment termination, who/which for any reason later does business, or his/her new employer or business, within one (1) year after termination of his/her employment with Select Staffing, may at Select Staffing's sole discretion and option and not that of Employee, be subject to the following terms:
 - (i) A royalty fee payment of 35% of the total (gross) billings on all temporary and permanent placements obtained/handled by Employee, and/or his/her new business/employer for a period of one (1) year after Employee terminates his/her employment with Select Staffing within six (6) months prior to Employee leaving Select Staffing, shall be due from Employee to Select Staffing.
 - (ii) This royalty fee shall be paid to Select Staffing within 15 days of receipt of payment for said services by the Employee, or his/her new employer or firm, or 35 days from the billing date, whichever is earlier. Copies of all relevant job placements/assignments and billing shall be provided to Select Staffing within five (5) calendar days after they are made.
- (h) Employee understands that it is Select Staffing's policy not to violate any trade secrets/proprietary information of others, including Employee's prior employers. Unless Employee has first obtained the prior written authorization to do so from a Select Staffing Officer, Employee agrees that he/she will not bring to, use at, or disclose to Select Staffing any trade secrets or proprietary information he/she obtained from any prior employers, and that he/she will not solicit the prior employers' clients, employees or temporary workers to do business with Select Staffing. Employee also warrants that he/she had returned all property belongings to all prior employers and that he/she has already provided, to Select Staffing any and all Trade Secret/Confidentiality Agreements that governed his/her prior employment.

MISCELLANEOUS

- (a) Whole Agreement This Agreement, along with the attached Appendices and Select Staffing's Policy Manual, set forth all the terms and conditions of Employee's employment with Select Staffing, and supersede any and all previous and contemporaneous understandings or agreements, whether written or oral, express or implied, between the parties. In the event there is, or will be, any contradiction between the provisions of this Agreement and the Policy Manual (present or future versions), the provisions of this Agreement will supersede those of the Policy Manual as to the issues involved.
- (b) Attorneys' Fees. If Employee is found to have breached any obligation in this Agreement, Employee will pay Select Staffing, in addition to any damages that may be awarded, reasonable attorneys' fees incurred by Select Staffing to establish a breach, to enforce this Agreement or to defend its rights under this Agreement.
- (c) Amendments None of the provisions of this Agreement, and any attachments hereto, can be amended unless such changes are in writing, signed by both Employee and a Select Staffing Officer; however, the provisions of the Policy Manual can be unilaterally amended by a writing signed by the Select Staffing Officer, and when so signed, shall bind Employee as long as said change does not contradict a provision in this Agreement.
- (d) Representations Employee has not entered into this Agreement based on any inducements, promises, or representations made by anyone at Select Staffing which are not stated in this Agreement or in the Policy Manual.
- (e) Severance If any provision, part, sentence or word (collectively "provision") of this Agreement shall be held invalid, such provision shall be severed from this Agreement, addition language may be added as determined by the Court, and the Remainder of this Agreement shall remain binding and enforceable.
- (f) Titles The section/paragraph titles used in this Agreement and any Appendices are for convenience only and are not to be used as a limitation or aid in interpretation of the provisions covered.

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(g) Cumulative Remedies - No one right or Select stated in this Agreement shall be exclusive of the others or any right or Select allowed in law or in equity. No failure to act by Select Staffing regarding any failure by the Employee to keep or perform any promise or condition of this Agreement shall act as a waiver of Select Staffing's rights, and any waiver by Select Select of any preceding breach will not act as a waiver of any later breach of the same or any other promise or condition. No waiver by Select Staffing of any right shall be construed as a waiver of any other right. Select Staffing shall not be required to give any notice to enforce strict adherences to all terms of this Agreement.

The parties have signed this Agreement in duplicate on the dates indicated after their names and the Employee acknowledges receipt of a copy.

SELECT STAFFING

By: Raj Patil Title:HR REpresentative Date: 08/05/2011

EMPLOYEE

By: Larry Shaun Shepherd Title:Sales Representative Date: 7/28/2011

EB-000124



ACKNOWLEDGEMENT OF STAFF PERSONNEL POLICIES

COLLEAGUE NAME: LARRY SHAUN SHEPHERD SOCIAL SECURITY NUMBER: REDACTED

I. STAFF PERSONNEL POLICY HIGHLIGHT

I understand that the policies and guidelines in this Highlight and the Corporate Policy Manual have been adopted voluntarily by Select Staffing and are not intended to give any rise to contractual rights or obligations, or to be construed as a guarantee of employment for any specific period of time or any specific type of work.

I also understand that I am required and responsible for reading the Policy Manual within thirty (30) days of starting employment with Select Staffing, and for knowing and adhering to the policies and guidelines in this Manual, including those explaining the meal and break time requirements. A copy of this Policy Manual is always available in the Human Resources page of Select Staffing's Intranet or from the Corporate Human Resources Department.

I understand that this Highlight and the Corporate Policy Manual is the sole property of the company and that I may not copy or give any part of it to anyone outside the company.

Finally, I understand that Select Staffing, in its sole discretion, can change, delete or add to this Highlight and the Corporate Policy Manual at any time, without advance notice or stated reason, as long as such changes are in writing and signed by an Officer of Select Staffing.

LSS Initials

II. AT-WILL EMPLOYMENT

The nature of all employment with Select Staffing is "at-will", at the mutual consent of the employee and Select Staffing. This means that employment may be terminated at any time, with or without cause, advance notice or stated reason, either at the option of the employee or Select Staffing. Terms and conditions of employment including promotions, change in job duties, locations and compensation can be changed at the sole discretion of Select Staffing, at any time, with or without cause, advance notice or stated reason. Further, Select Staffing may warn, reassign, suspend, demote or terminate any employee in its sole discretion, at any time, with or without cause, advance notice or stated reason. No employee or representative of Select Staffing other than the President, has any authority to change this "at-will" employment arrangement, or to enter into an agreement for any specified period of time. The President of Select Staffing may only enter into an agreement contrary to the foregoing if the President does so in a formal a written agreement fully executed by the President of Select Staffing and the employee.

I understand that my employment relationship with Select Staffing is "at-will".

Initials

III. MUTUAL AGREEMENT TO ARBITRATE

If Select Staffing and I are unable to resolve any dispute informally, I agree to having the dispute submitted and determined by binding arbitration in conformity with the procedures of the Federal Arbitration Act and the California Arbitration Act (California code of Civil Procedures section 1280, et. seq.), including section 1283.05 and all other rights to discovery. Such disputes may include but not be limited to any involving breach of contract, fraud, misrepresentation, defamation, personal injury, wages, wrongful discharge, vacation pay, sick time pay, overtime pay, state and federal employment laws, and regulation including but not limited to the Fair Labor Standards Act (including the Equal Pay Act), the Civil Rights Act of 1964 as amended, 42 U.S.C. section 1981, the Americans with Disabilities Act, laws prohibiting discrimination by reason of religion, sex, age, color, national origin, handicap, disability, medical condition, marital status or other basis, ADEA, federal and state, state labor code provisions, the Family and Medical Leave Act, the Employee Retirement Income Security Act (ERISA), and any amendments thereto, state unfair competition or unfair business practices provisions, and those claims whether in law or equity, which either party could assert, at common law or under statue, rule, regulation, order of law, whether federal, state, or local.

LSS Initials

IV. AUTHORIZATION FOR RELEASE OF EMPLOYMENT/MEDICAL RECORDS

For the duration of my employment, I give permission to Select Staffing to furnish and release to its Workers' Compensation carrier and/or administrator, or any representative thereof, the following information:

- 1. All medical records pertaining to examinations, treatments, or consultations, including but not limited to, billing records, x-rays, history records, diagnosis and prognosis records, nurses' and doctors' notes and all reports and any psychiatric or mental health records, and all reports relating to diagnosis, care and treatment for drug and alcohol abuse.
- All employment records retaining to employment with Select Staffing and any previous employer, including but not limited to, personnel records, payroll records, medical records, and time records.

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I understand that the information obtained will be used by Select Staffing's Workers' Compensation carriers and/or administrators for the evaluation and processing of any claims for Workers' Compensation benefits as a result of any work-related injuries. I do not give permission for any other use or re-disclosure of this information.

This authorization is valid until my claim has been accepted or denied, but in no event beyond one year from the date of my injury. A photocopy of this Authorization is as effective as the original. I understand that I am entitled to c copy of this Authorization.

LSS Initials

V. PAYDAYS & PAY CHECKS

Select Staffing's payday is every other Friday. Payroll checks can be direct deposited or can be deposited onto a pay card. Each pay check covers work performed through the completion of the previous workweek. Refer to the governing payroll calendar for specific paydays and pay periods. Payroll checks may be directly deposited to an employee's bank account or onto a pay card as directed on a Direct Deposit Authorization Form. All non-electronic colleague payroll checks will be sent through the U.S. Postal Service to the employee's home address. I understand that if I elect to have my payroll check mailed to my home, I take full responsibility for this action, should my paycheck be delayed by the U.S. Postal Service, and that it is my responsibility to submit new information to Select Staffing should there be any change in my mailing address. I realize that stop-payments will not be placed on checks lost in the mail for 10-working days from the date mailed. Any tracking of mail through the U.S. Postal Service will be my responsibility. This authorization is to remain in effect until replaced by a new written authorization or is cancelled.

LSS Initials

VI. DRESS AND GROOMING STANDARDS

Select Staffing considers the presentation of its image to its customers and the public at large to be extremely important. Because Select Staffing's excellent service can only be provided through its employees, Select Staffing not only seeks good performance and conduct form its employees, but also expects them to observe high standards in their personal presentations. Accordingly, it is expected that all employees dress in a manner consistent with good hygiene, safety and professionalism. Employees are required to present maintain a businesslike appearance and be appropriately dressed for the office environment. Appropriate business dress is also required while on business travel when representing Select Staffing.

Appropriate clothing, as delineated below, is to be worn during business hours. All grooming must to be done prior to entering the building/premises. All clothing is to be pressed and presentable. Closed-toe shoes, with socks or hosiery must be worn at all times. Select Staffing does not endorse casual Fridays.

Acceptable attire: business suite or sport coat, skirts of modest length with blouses or sweaters, tailored dresses, slacks with coordinating sleeved blouse - jacket optional and slacks with coordinating long-sleeved dress shirt and tie - coat optional.

Unacceptable attire: hats of any kind, visible body art or visible piercing (modest ear piercing allowed); western shirts, undershirts with graphics that can be seen through the outer garment, tight clothing, uncovered sleeveless attire (i.e., tank tops, halters, and tees), inappropriately low-cut blouses, sweaters, dresses, exposed midriffs, see-through dresses or skirts, skirts shorter than 3" above the knee or high-slit skirts / dresses, shorts, skorts, casual capris, jeans or denim of any kind, baggy clothing (e.g., several layers of pant cuffs), sport shoes, sandals, cowboy boots, and open-toe shoes.

For safety reasons, on-site personnel and visitors are required to wear fully enclosed shoes with slip resistant soles when visiting client's facilities where conditions require this type of footwear.

In appropriately dressed employees will be sent home to change into appropriate clothing. Repeat offenders will be subject to disciplinary action, including suspension without pay and/or termination.

LSS Initials

VII. DISCRIMINATION & HARASSMENT, INCLUDING SEXUAL HARASSMENT

I understand that Select Staffing does not tolerate harassment, including sexual harassment, or discrimination in violation of Federal or State law, whether based on sex, race, age, national origin, ancestry, religion, sexual orientation, marital status, physical or mental disability, or any other status protected by law.

I understand that I have a responsibility to report any incident(s) of discrimination or harassment of any type <u>immediately</u> to the President of Select or Corporate Human Resources, who will promptly investigate all claims and take appropriate action. Telephone (800) 688-6162 for a direct line or (877) listen-0 to reach the Legal Complaint and Counseling Hotline.

Initials

VIII: EQUAL EMPLOYMENT OPPURTUNITY POLICY

It is Company's policy to provide equal employment opportunity for all applicants and employees. Discrimination on the basis of race, color, religion, sex (including pregnancy, childbirth, or related medical conditions), gender, national origin, ancestry, age, physical or mental disability, legally-protected medical condition, family care status, veteran status, marital status, registered domestic partner status, sexual orientation, or that the person is associated with a person who has or is perceived to have any of these characteristics, or on any other basis protected by state or federal laws is against the law and contrary to Company's policy. When necessary, Company also makes reasonable accommodations for disabled employees and for pregnant employees who request an accommodation, with the advice of their healthcare providers, for pregnancy, childbirth, or related medical conditions. It is the responsibility of the employee to notify the Company of their need for a reasonable accommodation.

The Company prohibits the harassment of any individual on any of the bases listed above. For information about the types of conduct that constitute impermissible harassment and Company's internal procedures for addressing complaints of harassment, please refer to Company's Policy Against Harassment located at Section 502 of the Corporate Policy Manual.

As a government contractor, Company has adopted an Affirmative Action Plan and is committed to making a good faith effort towards achieving the objectives of the Plan. The Company has appointed the General Counsel to serve as Company's Equal Employment Opportunity Officer.

This policy applies to all areas of employment including recruitment, job application procedures, hiring, training, promotion, compensation, benefits, transfer, termination, and other employment-related functions. It is the responsibility of every manager and employee to conscientiously follow this policy.

Any employee having any questions regarding this policy should discuss them with the Corporate Human Resources or Legal Department.

Initials

Signature of Employee: Larry Shaun Shepherd Date: 7/28/2011

Witness (Office Manager / HR Representative: Raj Patil Date: 08/05/2011



INSIDER TRADING POLICY AND ACKNOWLEDGEMENT

The Select Family of Staffing Companies POLICY ON INSIDER TRADING

In the course of conducting the business of The Select Family of Staffing Companies (the "Company"), you may come into possession of material information about other entities that is not available to the investing public ("material non-public information"). You must maintain the confidentiality of material non-public information and may not use it in connection with the purchase or sale of the securities of the entity to which the information relates. The Company has adopted this policy on insider trading (the "Policy") in order to ensure compliance with the law and to avoid even the appearance of improper conduct by anyone associated with the Company.

Company policy and the laws of the United States strictly prohibit any director, officer, or employee of the Company, whenever and in whatever capacity employed, from trading of securities (including equity securities, convertible securities, options, bonds, and derivatives thereon) of any other company about which you acquire material non-public information in the course of your duties for the Company. These restrictions apply to all Company officers, directors, and employees, wherever located, and to their spouses, minor children, adult family members sharing the same household, any trust or other estate in which an officer, director, or employee has a substantial beneficial interest or as to which he serves as trustee.

Under Company policy and United States laws, information is material if:

- there is a substantial likelihood that a reasonable investor would consider the information important in determining whether to trade in a security; or
- the information, if made public, likely would affect the market price of a company's securities.

It is illegal for you to trade while in possession of material non-public information, including situations in which you are aware of major developments or transactions that have not yet been publicly announced. The knowledge that an acquisition or other transaction between the subject company and our Company is under consideration would typically be material non-public information. It is also illegal and a violation of this Policy to convey such information to another (which is known as "tipping") if you know or have reason to believe that the person will misuse such information by trading in securities or passing such information to others who trade. In addition, if you:

- receive material non-public information that you are not authorized to receive or that you do not legitimately need to know to perform your employment responsibilities, or
- receive confidential information and are unsure if it is within the definition of material non-public information,

you should not share it with anyone. To seek advice about what to do under those circumstances, you should contact our General Counsel. Consulting your colleagues can have the effect of exacerbating the problem. Containment of the information, until the legal implications of possessing it are determined, is critical.

Penalties for Violations of Law and This Policy

In the United States, the personal consequences to you of illegally trading securities while in possession of material non-public information can be quite severe, including disgorging of profits, penalties up to three times the illicit windfall, and individuals may be fined up to \$5,000,000 and imprisoned for up to twenty years. Subject to applicable law, Company employees who violate this Policy may also be subject to discipline by the Company, up to and including termination of employment.

You should refer questions or suspected violations of this Policy to our General Counsel in person, by telephone at (805) 456-5237 or in writing to the following address:

General Counsel
The Select Family of Staffing Companies
3820 State Street
Santa Barbara, California 93105

ACKNOWLEDGEMENT FORM

I have received and read the Select Family of Staffing Companies Policy on Insider Trading and I understand its contents. I agree to comply fully with the policies and procedures contained in the Policy on Insider Trading. If I am an employee of the Company, I acknowledge that the Policy on Insider Trading is a statement of policy and procedure and does not, in any way, constitute an employment contract or an assurance of continued employment.

<u>Larry Shaun Shepherd</u> Colleague Name

<u>Larry Shaun Shepherd</u> Colleague Signature

7/28/2011 Date



The Work Opportunity Tax Credit Program

The Select Family of Staffing Companies has selected Ernst & Young as our new Work Opportunity Tax Credit (WOTC) consultant. WOTC is a government incentive program designed by Congress to encourage employers to hire and retain employees that fall in certain economically disadvantaged target groups. This program has the potential to help offset our labor costs on an annual basis. There are a variety of employee groups that qualify under WOTC including disconnected youth, unemployed veterans, persons on food stamps or other public assistance (e.g., Welfare), to 18 to 39 year olds that reside in empowerment zones. It has been Ernst & Young's experience that anywhere from 5 to 10 percent of all our hires may qualify for the program.

The Select Family of Staffing Companies is extremely committed to the WOTC program, as it represents significant value and contributes to our success. Therefore, we request that you click on the following link below and complete the survey.

Please take a few moments to complete the Quick Survey; https://wotcgs.ey.com/Public/Applicant/Default.aspx .

EB-000130